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Classroom Bulletin on Social Studies

This Bulletin has been prepared for the use of teachers of Social Studies 3, offering information and suggestions re textbooks, reference books and procedures.

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PLEASE NOTE

"The Classroom Bulletin on Social Studies", which will be published at frequent intervals, is designed to aid teachers and students, particularly those who have not access to adequate library facilities. It is hoped, however, that all teachers will make full use of the possibilities offered by the Bulletin. They may do so by submitting suggestions for future issues regarding topics or procedures which, in their opinion, should have a place in this publication. **Ideally, the Bulletin should function as the clearing house for all materials and ideas that will serve to make social studies in the high school more meaningful and vital.**

Communications should be addressed to the Social Studies Bulletin, Department of Education, Edmonton.

Further copies of the Bulletin may be had at 10c per copy from the General Office of the Department of Education.

Note.—This is the last issue of the Classroom Bulletin on Social Studies for the school year 1945-46.

CANADA IN WORLD AFFAIRS

(Social Studies 3, Unit IV—Section B)

"Though geographically American, Canada is historically a part of the British Empire. This simple fact of history is of profound importance to Canada's foreign policy." In addition to these conflicting pulls of British sentiment and North American geography, the student of Canada in World Affairs must take into consideration the mixed nature of the Canadian population and the world-wide distribution of Canadian foreign trade. It is thus not surprising to learn that Canadian foreign policy has not always had a clear and positive direction. But as the largest, most populous and most industrialized of the Dominions, and because of her peculiar position between the British Commonwealth and the United States, Canada's part in world affairs is becoming increasingly important. In fact, just before World War II disrupted world trade, Canada was the fifth most important trading nation in the world.

Being geographically American, Canada's foreign policy could be one of close economic and political association with the United States. Being historically a part of the British Empire, Canada's foreign policy could be one of close association with Britain and the Empire. Here it should be pointed out that membership in the British Commonwealth of Nations is only one aspect of Canada's foreign relations. Canada's interests are very closely involved with those of the United States and the Dominion has every reason to desire closer and more friendly intercourse with her great neighbour republic. On many issues, the Canadian viewpoint more nearly approximates that of the United States than that of the mother country. The American Monroe Doctrine, by its mere existence has probably been a protection to Canada. Canada has held aloof from the Pan-American Union, though the Latin-American countries are eager to secure the co-operation of the Dominion.

Much has been loosely said and written about Canada's destiny to become an interpreter of the United States to Great Britain. The fact remains that Canada's self-preservation depends, to a considerable extent, on the future of Anglo-American relations. In spite of numerous instances of friction and misunderstanding, Canadian-American relations have been generally peaceful, cordial, and an evidence of the sound common sense of both peoples.

Before going further, though, we shall briefly examine Canada's foreign policy since Confederation.

1. The Policy of Sir John A. MacDonald (1867-1896).

At this time the question of defence was the chief problem of foreign policy for Canada. Treaties, boundary disputes, and Canada's role in world affairs were still largely in the hands of the British parliament.

2. The Laurier Policy—No Commitments (1896-1911).

During this time the British Government attempted to consolidate the Empire. A number of proposals were made to the colonies: a "great council of Empire" representing the various colonies; cash contributions toward the upkeep of the Navy; uniformity of training and equipment of all troops within the Empire; and training in England for units of the colonial troops who, if the colonies wished, "might fight side by side with their British colleagues". This was a policy of new imperialism. "Was the Empire to become a new Roman Empire governed in essentials from a common centre, though permitting local self-government in non-essentials?"

Laurier's policy was one of no commitments in advance, yet a recognition of moral obligation to aid the Empire in the event of a life and death struggle. Canada was to be the judge of the seriousness of any struggle, as well as of the manner and extent of the aid she would render.

3. The Borden Policy—Imperial Partnership (1911-1921).

"Borden was as concerned with the growth of Canada as a nation as was Laurier; he had no desire to see Canada become a mere province for a new Rome. Rather Canada's destiny lay in becoming a partner in a collective Empire, with a voice in its collective enterprises."

In 1917, Prime Minister Borden participated in an imperial conference on war policies in London and at that time he was invited to attend the meetings of the imperial war cabinet, in which the leaders of the self-governing dominions sat on equal terms with the members of the British war cabinet. This arrangement clearly foreshadowed the dawning of a new era in imperial relations, in which the Empire would become a commonwealth of nations.

4. Mackenzie King's Policy, (1921-1939).

Very briefly, this policy appears to have been to co-operate with the rest of the Commonwealth in foreign affairs only when the interests of Canada were definitely concerned:

(*a*) "The policy of no commitments in advance to participate in the defence of the Commonwealth, enunciated more than thirty years ago by Laurier, appears now to be the very sheet anchor of Canadian policy. It has been the basis of policy towards the League of Nations as well as towards the British Commonwealth of Nations.

(*b*) "In order to avoid being morally committed to support, by arms or other means, imperial foreign policy in general, Canada now (before World War II) takes no part in the control of imperial foreign policy except where her interests are definitely at stake.

(*c*) "Canada is prepared to consult and co-operate with Great Britain and other member-states of the Commonwealth in

formulation of foreign policy where Canadian interests are directly at stake. In such cases, the decision whether Canadian interests are at stake rests with Canada.

(*d*) "Canada has now control, in fact if not in form, of matter-of foreign policy of interest to herself alone. In such matters she is, however, under obligation to keep other members states fully informed in order that their interests may be safeguarded."

It is well to note that the Bennett administration of 1930-1935 changed none of these features.

Canada and the League, 1919-1939.

The debates on separate ratification of the Treaty of Versailles began in the Canadian House of Commons in the fall of 1919, and they revealed points of view strikingly similar to those expressed in the debate in the United States Senate on the question of accepting the treaty and the League Covenant. A minority of the Dominion House of Commons objected to the entire treaty, as unfair, unjust, unworkable, based on revenge, and containing the germs for a score of new European wars, but most of the discussion, in Canada as in the United States, centered around the alleged loss of sovereignty which might result from Canada's acceptance of obligations in the League of Nations. The opposition was focussed on Article X of the League Covenant, which sought to guarantee the political independence and territorial integrity of the European nations against external aggression. President Wilson had called Article X "the heart of the covenant"; Rodolphe Lemieux, a distinguished French-Canadian leader, called it "the teeth". The disputed article reads as follows:

> "The Members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League. In case of any such aggression or in case of any threat or danger of such aggression the Council shall advise upon the means by which this obligation shall be fulfilled."

Many Canadians, like their neighbours to the south, believed this much-debated article would involve their country in future European wars, by obligating Canada to defend the dangerous territorial settlements imposed by an unsatisfactory treaty. A Liberal member of Parliament denounced Article X as a device which put Canadians at the "beck and call of a Council not responsible to the nation for its actions", and he added, "by one stroke of the pen we are mortgaging our freedom." Several people voiced the uneasy suspicion that Canadian autonomy, which had just been disentangled from the British Empire, was now compromised by the collective system. "In military matters," said Lemieux, "we are governed also by and from Ottawa, and not by and from London; and we do not want to be governed by and from Geneva."

Other members of the Liberal party attacked the Government for insisting upon separate representation in the League of Nations,

thus sacrificing Canada's independence of action by involving the Dominion in dangerous and embarrassing obligations to Europe. A French-Canadian member objected to the transfer of Canadian sovereignty to the League Council, and others actually feared that Canada might at some future time find itself in conflict with the mother country as a result of its separate membership in the League. An attempt to modify the implications of Article X was defeated in the Canadian House of Commons by a vote of 102 to 70. Criticisms of this nature were met by the argument that all active participation in European affairs still would depend on the action of the Canadian Parliament as it did before the League of Nations came into existence. Canada finally ratified without reservations, and on October 10th, 1919, the treaty was formally approved by the British King, thus carefully observing the legal fiction that ratification was by "His Majesty on the advice of the Government of Canada."

In the first four sessions of the League Assembly, Canada tried in vain to get Article X either modified, or deleted from the Covenant. The attitude of the Canadian delegation on this issue strongly resembled a point of view widely expressed in the United States, and it was evident that the spokesmen for Canada at the League Assembly were eager to serve as interpreters and mediators in Anglo-American relations. After several attempts to delete Article X failed, Canada proposed two amendments, one of which specifically stated that while the opinions of the League Council would always carry the highest importance, "no member shall be under obligation to engage in any act of war without the consent of its Parliament . . ." Only four of the smaller nations were willing to accept this Canadian amendment; the others urged further postponement of the issue. Finally, a committee of the fourth Assembly undertook to clarify, but not change the substance of Article X, by pledging the Council, in case of the necessity for military action, to take into consideration the "special conditions of each state", and specifically recognizing the constitutional right of each state to decide to what degree it was bound to put its military forces at the disposal of the League. When this proposal also failed of adoption, Canada ceased to insist on a change in Article X. Canada's position throughout the controversy revealed her North American "continentalism" or "isolationism" and perhaps also a desire to make the Covenant more palatable to the United States. It is perhaps significant that the amendment proposed by Canada in the third Assembly was identical in substance with the reservation of the United States Senate to Article X.

Subsequently, Canada followed this policy as regards European security guarantees. Canada took part in sanctions against Italy in the Italo-Ethiopian conflict, although when Dr. Riddell (Canadian representative at Geneva) suggested that oil be added to the list of banned articles, the Canadian government refused to support this stand. In September, 1936, Mackenzie King stated that "Any decision on the part of Canada to participate in war will have to be taken by the Parliament or people of Canada in the light of all existing circumstances; circumstances of the day as they exist in Canada, as well as in the area involved." At the same time he proposed that

the League "should provide a forum for the discussion of economic grievances."

Canada, however, took an active part in League affairs. Canadian delegates served on various committees with distinction, and Canada insisted that the League should be made a world league and not an organization dominated by European interests. Sir Herbert B. Ames, a member of the Canadian Parliament, was appointed to the commission charged with the supervision of the Saar Basin. The protocol establishing a World Court for the peaceful arbitration of international difficulties was ratified by the Dominion Parliament in 1921. In the session of the sixth Assembly of the League (in 1925) the Canadian Senator, Raoul Dandurand, was chosen president of the session. One reason for Canada's success in 1927 in her campaign for one of the non-permanent seats on the Council undoubtedly was the personal popularity of Senator Dandurand. Moreover, Canada had always taken a sympathetic view of the problem of European minorities, and this brought the smaller nations to her support. Canada "is far enough away geographically to have the point of view of a deliberate observer", commented *L'Europe Nouvelle*, "and she is near enough spiritually to view European problems sympathetically." The *Manchester Guardian*, on the other hand, explained Canada's election to the Council by the desire of the League Assembly to select "a North American Anglo-Saxon country," "a direct mouthpiece of the Great Republic that holds so obstinately aloof."

Canada and the International Labour Organization.

Canada has been represented on the Governing body of this organization from the outset. However, Canada has implemented few of the labour conventions, largely because of the constitutional uncertainty regarding the power of the Federal Government to do so.

To sum up, then, Canada's policy toward the League was that the League could be used to develop a spirit of conciliation, an acceptance of publicity in international affairs, the habit of co-operation and the continuous treatment of international problems. On the other side, the idea of collective action against aggressors received limited support from the Canadian government.

SCHOOLS OF THOUGHT ON CANADIAN FOREIGN POLICY, 1939-1945

Collective Security:

This is perhaps the most disputed school of thought on foreign policy. While it probably died as an effective foreign policy after 1938, an examination of the proposals of the collective security system is extremely important as it is the subject of heated discussion at the present time and may be one of the basic systems of the new World Order.

The collective system considers that the security of each state isa matter of common concern to all members of the family of nations, and attempts to achieve that security by the collective action of all

members rather than by individual action. The League of Nations represented an attempt at collective security on a wide scale. Thus the Covenant provided for; renunciation of the right of private war, submission of all disputes to peaceful settlement, reduction and limitation of armaments by international agreement, collective aid to victims of aggression and collective coercion of aggressors (sanctions), and co-operation in social, economic and humanitarian activities. These measures are laudable, but as we have already noted, member nations were reluctant to give up sovereignty, the League lacked any non-national force to impose its wishes, and no effective machinery was provided for removing the underlying causes of war (especially economic causes). As already noted, Canada urged that the League become a forum for discussing the economic causes of war, while at the same time she led the way in refusing to give up national sovereignty.

It has been argued that collective security represents the best way to keep Canada out of war. The military advantage of combined support in the event of war would be great. Finally, the economic needs of Canada (secure world markets) would be best served by an atmosphere of international peace such as would be promoted by collective security.

A British Front Policy:

The Imperialist or "British front" school assumes that the British Commonwealth of Nations is a united family of nations for purposes of defence. It would, in other words, require that Canada fully participate in the British Commonwealth as an equal partner. This view naturally appeals to the loyalty of many Canadians of British origin. The sentiment was strong enough in 1914 to enlist the support of the great majority of Canadians. Many of its advocates feel that the policy of Commonwealth solidarity is a guarantee of peace, and that it is a contribution to the cause of democracy. The most extreme supporters of the policy speak of the British Commonwealth of Nations as the first step towards a future world federation, that is, the whole world should be modelled after the Commonwealth pattern. Others, who support the British Front policy, stress its defensive value in increasing the protection of both Canadian coasts, and also of sea-borne Canadian trade. The economic situation is that the British front policy would insure Canada's preferential British markets, although in any case Britain needs our commodities, and since over half our peace-time exports go to non-British countries, there is doubtful value in pushing preference too far. It should also be noted that the prestige of both Canada and Britain is increased by the solidarity of the Commonwealth. The British connection, too, is felt by many to be essential for preserving Canadian unity, and for preventing cultural and perhaps political absorption of Canada by the United States.

To follow such a policy would immediately raise the serious problem of the Commonwealth relationship. This might be an *entente*, that is, a friendly understanding with indefinite moral commitments for support. An alliance with certain fixed and limited

obligations would be another solution. Or it might be a *partnership* with consultation concerning policy and co-operation. But this would involve the difficulty of reconciling the conflicting interests of the different Dominions, and of accepting the necessary leadership of Britain. Whether united in an *entente*, or alliance, or a partnership, the British front policy would demand that the members of the Commonwealth stand or fall together in an emergency. This would necessitate for Canada an increase in the present co-operation for defence, and also in Canada's preparedness to assist at short notice. Canadian assistance might involve largely contributions of war supplies and foodstuffs. In any case, collective imperial defence would call for definite planning, military and economic.

Whichever school of thought one may believe in, it must be remembered that there are several principles which have determined Canada's policy in external relations and which will unquestionably continue to do so. These are enumerated in the book "Canada Looks Abroad" and are as follows:

(*a*) Canada must maintain friendly relations with the United States for the sake of her own political security, and also because the United States is Canada's best customer.

(*b*) The great majority of Canadians support the principle of Canada's continued membership in the British Commonwealth of Nations, which gives advantages of trade and defence.

(*c*) Canada must remain a white man's country, and follow the lead of the United States in excluding Oriental immigrants, although Indians are British subjects. Oh No!

(*d*) Canada assumes full responsibility for her local defence, but reserves "freedom of action for defence of other interests." Her geographical situation and her friendly relations with the United States have in the past kept her armament bill very low. The Second World War has led to a vast expansion in defence forces, but what the armament policy in the post-war period will be, it is impossible to predict.

(*e*) Finally, Canada's commercial policy is determined by the need for foreign markets, and by the necessity of a compromise between the demand for protection by those who produce for the domestic market, and the demand for free trade by those who produce for export.

It was objected before 1939 that Canada's policy was a selfish one—that it takes advantage of her position as a North American state, a member of the British Commonwealth, and a member of the League of Nations and assumes no responsibilities. But both political parties have to consider the conflicting interests and loyalties in Canada—between French and English, between Protestant and Catholic, between agriculturist and industrialist, between eastern and central Canada, between central and western Canada. In both

domestic and foreign policy, political leaders seek to avoid issues which may endanger national unity.

Canada and the Pan American Movement:

Canada's relations with the republics of the Western Hemisphere (excepting the U.S.A.) are almost wholly commercial and financial, and are not extensive even in those fields. In 1940 Canada's trade with North and South America (excepting the U.S.A.) was valued at $62,000,000, and amounted to 5.3% of Canada's total trade. In 1938 the corresponding figures were $41,000,000 and 4.5%.

Canada's problems of defence and foreign affairs are linked to those of the U.S.A. and of the Commonwealth more than with the Latin American countries. Canada has shown little inclination to join the Pan-American Union, possibly because at some time membership might cause conflicting obligations with Commonwealth membership. Possibly also, membership might compel her at some time to take sides against the U.S.A. Up until World War II there was also the complication as to whether Canada had the right to remain neutral if the United Kingdom and the rest of the Commonwealth were at war. (Eire's action in World War II either (*a*) marks her off as not being a Dominion, or (*b*) shows that Dominions have the above rights). On the other hand, if Canada were to join the Pan-American Union, she would find the following features of the Union would readily fit in with Canadian policy:

1. Provisions for the settlement of disputes by inquiry, by conciliation, or by arbitration.

2. The work of the secretariat in Washington on economic and technical matters.

3. The development of commercial, industrial, agricultural, social and cultural relations in the problem of labour, etc.

Canada, however, makes every effort to stimulate more trade with the South American countries. One outstanding evidence of this policy was the recent raising of the status of our representation in Latin America from that of legation to embassy. At the time of writing Canada maintains embassies in the following South American countries: Brazil, Chile, Mexico, and Peru. Canada is represented by a legation in Argentina. There is as well a trade commissioner to Colombia, whose territory includes Venezuela, the Republic of Panama, the Canal Zone, Nicaragua, Costa Rica and the Netherlands West Indies.

Recent Developments in Foreign Policy.

Since World War II started, Canada has rapidly extended her diplomatic services. In 1938 Canada had four ministers to represent her abroad; in London, Washington, Paris and Tokyo. Each of

these ministers maintained an office called a "Legation". Such a minister looked after matters like:

1. passports
2. dissemination of information.
3. protests and declarations of war.
4. introductions of visiting celebrities.
5. getting nationals out of jail, etc.
6. supplying information to newly-arrived nationals.

In November, 1943, the decision was made by the Canadian Government to raise the Legation at Washington to the status of an Embassy with an ambassador in charge instead of a minister. Such an "Ambassador Extraordinary and Plenipotentiary", to give him his full title, has the power to sign treaties binding the Canadian government. This power was not possessed by the minister of a legation. Thus it is seen that this new step in our diplomatic representation is a concrete assertion of Canada's power as a nation. In an editorial entitled "Diplomatically We Come of Age", the *Ottawa Journal* commented on the new development, "In such circumstances (when Canada was only represented by a legation) the spectacle of a Canadian minister at Washington ranking below the diplomatic representatives of countries with vastly less United States concern, not to speak of much smaller contribution to this war and to world affairs was incongruous, to say the least."

As matters now stand (1945), Canada is represented by embassies in the following countries (in addition, of course, to the United States and the South American countries listed above): France, the Soviet Union, China, Belgium and Greece. As well as a Canadian legation in Luxembourg, there is a legation to the Allied Governments in London. These include Czechoslovakia, Norway, Holland, Poland and Yugoslavia. In time, no doubt, there will be Canadian embassies to each of these countries.

It should also be noted that the following nations maintain embassies in Canada: Belgium, Brazil, Chile, China, the U.S.S.R., Mexico, Peru, France, and Greece. Legations, which may in time become embassies, are maintained by: Argentina, Czechoslovakia, Holland, Norway, Sweden, Poland, Yugoslavia, and Turkey.

The complete significance of the rapid extension of Canada's diplomatic machinery is hard to determine at present. It may represent only the need for close governmental co-operation in wartime, or it may mark the beginning of a new, more direct control of Canada's foreign affairs by the Canadian government. In the case of the South American countries already mentioned in the light of increased trade, it may also point the way toward closer diplomatic co-operation between Canada and the other nations of the New World, and, perhaps even, the entry of Canada into the Pan-American Union.

PROBLEMS ARISING OUT OF CANADA'S PROXIMITY TO THE U.S.A.

Despite the long undefended frontier between the United States

and Canada, both nations take pride in the fact of over one hundred and thirty years of peace. Peace has been threatened on several occasions, even as late as 1903. But the tradition of a peaceful adjustment of disputes is now so well established that any other course is unthinkable.

1. Machinery for Adjusting Disputes.

Disarmament of the frontier came about gradually, naval armaments on the Great Lakes being reduced by formal agreement (the Rush-Bagot Convention of 1817) and land disarmament by a general understanding.

Many types of questions have been settled by peaceful means—boundary questions, such as the Maine-New Brunswick, the Oregon, and the Alaska boundaries, fishing questions, and claims for damages. There has, however, been no general agreement as to method. It may be arbitration, a joint commission, or diplomacy. Although decisions have not always been pleasing to one or both parties, yet they have been loyally accepted.

2. Joint Control of the Great Lakes and Boundary Waters.

More than half of the international boundary, which stretches for 4,000 miles between Canada and the United States runs through rivers and lakes. The Great Lakes system, of course, is the most important. The lower Great Lakes district is the largest industrial area in the world. On both sides of the boundary large scale use is made of iron from Wisconsin, coal from Pennsylvania, and nickel, copper and zinc from Canada. The Lakes provide cheap transportation for these very bulky commodities. Electric power is derived from the falls in the St. Mary's and Niagara Rivers. The Great Lakes serve, as well, the agricultural interests of the prairie wheat growing states (e.g. Minnesota, North and South Dakota, Iowa and Wisconsin) and provinces (Alberta, Saskatchewan and Manitoba), by supplying cheap transportation of grain.

The regulation of this great waterway in the interests of both countries naturally called for joint control and co-operation. By a long series of treaties a common right to navigation of the boundary waters and their connecting streams and canals was secured for the two countries, e.g. Lake Michigan is open to Canadian navigation.

To regulate matters other than navigation, the Boundary waters Treaty was made in 1909. This treaty provided a new international code, and set up machinery for the control and supervision of the boundary waters, and waters flowing across the boundaries. This code included the following:

(*a*) The right of navigation on boundary waters was guaranteed forever, and on connecting canals and Lake Michigan for the life of the Treaty.

(*b*) Pollution of these waters was forbidden.

(*c*) Priority of use of the boundary waters was (i) for domestic

and sanitary purposes, (ii) for navigation, (iii) for power and irrigation.

(*d*) The level of the waters could not be disturbed by any use, obstruction or diversion, without the consent of the International Joint Commission.

(*e*) Arrangements were made for the use of the Niagara River, and for the division of the waters of the St. Mary's and Milk Rivers.

The International Joint Commission of 1910.

This body, composed of three Americans and three Canadians, passes upon application for "use", "diversion", or "obstruction" of the waters, investigates "questions or matters of difference", and has power to arbitrate disputes. Among important matters investigated are; the St. Lawrence deep waterway, the proper level for the Lake of the Woods where the Canadian pulp and paper interests conflict with the American agricultural interests, the damage done to American crops by the gases from the smelter in Trail, British Columbia. The essential business of the Commission is to anticipate conditions and prevent abuse of rights from arising. The quiet, effective work of the Commission is, needless to say, indispensable to both countries.

3. Fishing Rights.

The Treaty of Versailles, 1783, granted American fishermen certain privileges of in-shore fishing in Canadian waters. After the War of 1812, the Americans surrendered all rights except to land at Canadian ports for wood, water, or shelter, to fish around the Magdalen Islands and in parts of the St. Lawrence, and to dry and cure their fish in unsettled bays. While the Reciprocity Treaty was in operation (1854-66), the two countries permitted the admission of fish products, and exchange of fishing privileges. The Treaty of Washington, 1871, revived the rights held under the Reciprocity Treaty, and the United States paid $5,500,000 because of the greater advantage to her fishermen. This arrangement was terminated by the United States in 1885 and then for thirty years American fishing vessels were issued licenses by the Canadian government. The most recent arrangement was made in 1933, whereby American licensed vessels might enter Canadian ports, to buy bait, or get water. All these long and varying agreements dealt with Atlantic fishing.

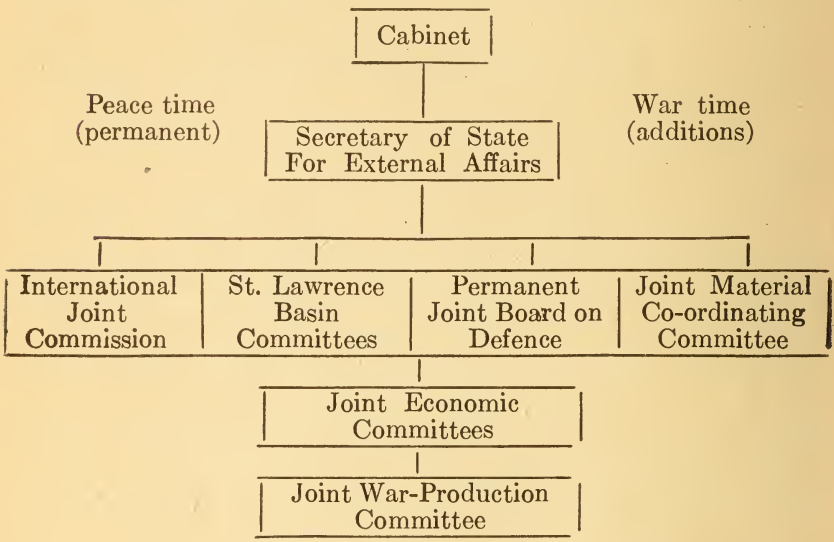
The Close Co-operation of Canada with the United States During the War (1939-45)

The period following the fall of France was marked by notable developments in the relations between Canada and the United States. These developments, in turn, were an aspect of the growing co-operation of the United States with the British Commonwealth and the other countries at war with the Axis powers.

The outcome of the Ogdensburg Agreement of August 17th,

1940, was the establishment of the Canada-United States Permanent Joint Board on Defence. On September 3rd, 1940, the exchange of destroyers for bases was agreed upon by the United States and Britain. As a result of this exchange the destroyer strength of the Royal Canadian Navy was doubled. The Lease Lend Act was passed by the Congress of the United States on March 11th, 1941. The Hyde Park Declaration, embodying an Agreement between Canada and the United States to collaborate in the production of defence materials, was issued by the Prime Minister and President Roosevelt on April 20, 1941. As a result, Joint Production Committees were established by Canada and the United States on November 5th, 1941. Roughly, these committees co-ordinated production for both countries. Thus Canadian aluminum plants were expanded to meet half the needs of the United States, while the United States in return expanded her aeroplane motor plants to supply motors for Canadian-built aeroplanes.

WARTIME EXTERNAL RELATIONS



Some examples of the work of these committees in co-ordinating the Canadian-American war effort were:

1. Canadian products were under export control. The Canadian list conformed closely with those products under export control in the United States.

2. A well known example of Canada-U.S. co-operation was, during the "cash and carry" period under the Neutrality Act, the flying of U.S. bombers destined for Britain to the Canadian border, by U.S. pilots. Canadian pilots took delivery of the planes at this point. The bombers were then hauled across the border into Canadian territory and flown to Britain via Newfoundland.

3. The work of the Department of Munitions and Supply and of the Wartime Prices and Trade Board, which is a part of the Department, has been kept in close contact with the corresponding departments of the American government.

4. American man-power and materials wereof in estimable value to Canada in building the British Commonwealth Air Training Plan.

5. Canadian air force and army units operated in Alaska with American troops.

6. Military co-operation was extended to a special service force of both Canadian and United States troops, with a uniform of its own. Canadian parachute troops were trained at an American school. The closest co-operation was maintained in the military affairs of the two countries. The Royal Canadian Navy was in American waters fighting the Axis submarine menace alongside the United States Navy and Royal Navy.

7. The Joint War Production Committee, the Joint Materials Co-ordinating Committee and the Joint Economic Advisory Committees organized the production and economic controls of both countries, e.g., foreign exchange control, price policies, tariffs and import duties.

8. The construction of the Alaska Highway, the development of the Fort Norman oil field (the Canol project), and the construction of American airports, e.g., the airport at Namao just outside the Edmonton city limits.

9. The training of Canada's Sixth Division in Kentucky for Pacific duty.

CANADA'S PART IN THE WAR 1939-45

(Social Studies 3, Unit III—Section A, Division 3)

The Strength of Canada's Armed Forces:

Pre-War		Final Strength	
Navy	1,700	90,000	(85,000 men 5,000 women)
Army	4,500	465,000	(450,000 men 15,000 women)
Air Force	4,000	202,000	(188,000 men 14,000 women)
Total	10,200	757,000	

The grand total, though, of those who have actually been in uniform would be about 1,000,000.

The losses through casualties to January 31, 1945, were as follows:

	Navy	*Army*	*Air Force*	*Total*
Dead or presumed dead	1,629	18,062	12,464	32,155
Wounded	244	41,778	1,209	43,231
Missing	108	1,095	3,144	4,347
Prisoner of war or interned	87	5,685	2,104	7,876
Totals	2,068	66,620	18,921	87,609

In June, 1945, it was announced that total casualties were over 102,000.

The Part Played by the Canadian Army in the Various Theatres of War:

"Through the hot, blistering sun of Sicily and Italy . . . the rain, the cold and the mud of France, Belgium and Holland . . . final VICTORY . . . is the saga of the Canadian army overseas."—*The Edmonton Journal.*

Here are the highlights of its advance from the sunny shore of the Mediterranean to the beaches of Normandy, and on through to Germany:

1939

On August 26th the Non-Permanent Active Militia units were called out on home service. As soon as the emergency requirements for home and coastal defence and the protection of vulnerable points had thus been met, attention was directed to the establishment of a Reserve Force of two divisions and ancillary troops to serve as a nucleus of an Expeditionary Force to send overseas "when required". This latter action was taken on September 1st when the Germans attacked Poland. Units of all arms were selected from the various Military Districts in a proportion based roughly upon the distribution of population; to the end of November 60,000 men were enlisted and were being equipped and trained as rapidly as possible. On October 6th it was announced that Major-General A. G. L. McNaughton would command the First Canadian Division. On December 17th the first contingent of this division arrived in the United Kingdom.

1940

On January 24th King George VI inspected units of the First Canadian Division in England. By April, 1940, the dispatch of the entire Division had been completed. Certain Corps troops had also been dispatched abroad and Canadian Military headquarters had been set up in London. During May and the early part of June troops were dispatched outside of Canada to the West Indies, Iceland, and Newfoundland. Canadian forces overseas totalled 23,408 and the Active Army in Canada, 53,234 all ranks.

The sequence of enemy successes in Europe during the months of May and June, 1940, brought prompt decisions leading to a strength-

ening of the forces overseas and the defences at home. The dispatch abroad of the second Canadian Division and reinforcements for the First Division, already overseas, was accelerated. The Third Canadian Division was authorized to mobilize, involving the selection, administration of and provision for, some 72 additional units. In June, 1940, the mobilization of the Fourth Canadian Division was ordered. Because of the growing seriousness of the situation at this time, and in anticipation of the possible calls that might be made on Canadian man-power, arrangements were completed to draft youths of twenty-one years of age for a period of military training. It may also be noted in passing that "The Veterans Guard of Canada" was authorized as part of the Active Army. This guard, entirely composed of and commanded by veterans of the War of 1914-1918, was organized to protect vulnerable points, to perform internal security duties, and to guard prisoners of war and alien internees confined in camps throughout the country.

On July 5th, the Hon. J. L. Ralston was appointed Minister of National Defence; on July 21st, Major-General H. D. G. Crerar became Chief of the General Staff. In August, 1940, the Canadian Armoured Corps was established, and from this an initial formation of one Armoured Brigade Group was mobilized. The creation of an "Atlantic" and a "Pacific" Command, to provide for improved operational control of the eastern and western coast defence facilities, was authorized. These Commands provided for the operational control of field forces available within several Military districts adjoining the coastal areas. Another important step was also taken in August, 1940, by the formation of the Canada-United States Defence Board, on which the Army General Staff was represented. This Board was established to co-ordinate the military defensive measures of the two countries and finally, in December, 1940, the Canadian Corps was formed, consisting initially of the First and Second Canadian Divisions and Corps Troops.

1941

During this year the newly formed Canadian Corps was strengthened by the arrival in England of the Third Canadian Division, the First Canadian Army Tank Brigade, the Fifth Canadian (Armoured) Division and many additional corps, army, and line of communication units. These Canadian forces were, of course, established in Britain to defend the British Isles from invasion and to prepare for the invasion of Europe. In Canada the Fourth Canadian Division was mobilized to full strength and the Sixth Canadian Division was formed. Thus by October, 1941, a great expansion had been effected, bringing the total strength to 400,000 all ranks, including the Active Army overseas and in Canada, the Reserve Army in Canada, and reserve recruits trained or in training under the provisions of the National Resources Mobilization Act. The total number of troops overseas at the end of October was 110,000. It may also be noted that in June officer training centres were established at Brockville, Ontario, and Gordon Head, B.C., and that in September the Canadian Women's Army Corps was formed with the purpose of relieving

physically fit men employed in administrative and non-combatant duties.

Before French resistance collapsed in 1940 Canadian troops actually had landed in France ready for battle, but they were recalled without going into action. After the evacuation of the British forces from Dunkirk in the first days of June, 1940, the Canadians were among the few adequately equipped troops left in the United Kingdom to meet an invasion. In the months that followed, various Canadian detachments took part in raids on the European coast and, on September 9, 1941, on Spitzbergen, which was the largest raid of this nature.

The Canadian force that arrived in Hong Kong on November 16th, 1941, to reinforce the British garrison there provided a further indication of Empire solidarity and of Canada's recognition of her position as a Pacific power. On Sunday, December 7th, 1941, Japan delivered, without warning, what was obviously a carefully planned attack upon widely scattered territories and forces of the United States and the British Commonwealth in the Pacific. Nearly 2,000 Canadian soldiers were engaged in the fighting at Hong Kong and all were killed or taken prisoner when the fortress fell on December 25th, 1941.

1942

Canadian forces formed five-sixths of the United Nations troops in a raid on Dieppe, France, on August 19th, 1942, and more than 3,350 Canadians were killed, wounded, or taken prisoner. The Dieppe engagement was a reconnaissance in force, and use was made of the lessons learned there for the landings in North Africa.

By autumn, 1942, the Canadian forces overseas consisted of three Infantry Divisions, two Armoured Divisions, and an Army Tank Brigade, with thousands of army and corps troops. In addition to forces for overseas service, the Canadian Army had developed a full-time force for the defence of Canada itself, consisting of coastal defence units, comprising infantry, artillery, searchlight and signal units, together with three divisions in training, the members of which comprised both men enlisted for general service and recruits called up under the National Resources Mobilization Act. In October, 1942, over 210,000 Canadian soldiers were overseas and over 160,000 were on full-time service in Canada. The high standard of training required of the modern soldier and the need for rapid training of large numbers of volunteers and recruits had brought about the creation of about seventy training centres and establishments capable of handling 200,000 soldiers a year.

As the fighting in North Africa developed, a group (300 all ranks) of Canadian officers and non-commissioned officers arrived there on December 30th to gain battle experience with the British First Army in Tunisia.

1943

The war began in earnest for the Canadian Army in the summer of

1943. Battle ended more than three frustrating years of watchful waiting in Britain and long preparation for the attack.

The Canadian First Division, commanded by Major-General Guy Simonds, took part in some of the heaviest fighting of the Allied 39-day conquest of Sicily. Its task was to drive through the centre of the Island, between the British and United States troops. In the closing stages of the battle the Canadians, with the British 78th Division of the Eighth Army, broke through the Mount Etna line and started the enemy retreat to the evacuation port of Messina.

General Sir Bernard Montgomery visited the Canadian troops on August 20th, three days after the last Axis defenders had been killed or captured or had fled from the Island, and told them: "You handled yourselves according to the best and highest standards of any army in this very short, model little 39-day campaign. It has been said that it was a great honour for the Canadians to be in the Eighth Army, but I say that it was a great honour for the Eighth Army to have the Canadians."

Fighting men of the First Division were again side by side with the famous Eighth when the direct assault on Italy began and in the bitterly fought advance up "the boot". It was in Italy that the extensive development of new equipment and new battle technique, much of it on the "secret" list, proved the worth of long range planning. New wireless equipment of Canadian design and manufacture and similar development played as important a part as the foot and mounted battle drill that equipped the Canadians for their part in the invasion.

Canadians were shoulder to shoulder, too, with United States forces when a combined allied force occupied the key Aleutian island of Kiska, meeting no resistance. Troops from all across the Dominion, a large proportion of them soldiers called for service under the National Resources Mobilization Act, were represented in this operation.

The Canadian Army Overseas by this time (January 16, 1943) was made up of two corps, one of three infantry divisions, the other of two armoured divisions. Besides these there were large numbers of ancillary or corps troops. These, by the way, are concerned with communications, repairs to equipment, transport of supplies, medical and hospital services and many other functions. During the year, corps and divisions overseas were re-organized to make possible any combination of brigades and divisions and to make the Canadian divisional establishment similar to the British.

Figures at October, 1943, showed the strength of the Army to be in excess of 460,000 men.

1944

The year 1944 was one of tremendous achievement by Canadian arms. By the end of July every unit of the Canadian Army overseas was in action, in Italy or on the Western Front.

On D-Day, June 6th, two days after Canadian troops in Italy had participated in the capture of Rome, thousands of Britain-based Canadian assault troops splashed ashore on the Normandy beaches in the forefront of the terrific allied onslaught which opened the Western Front. On their heels came the main body of the Britain-based Canadian Army, and during the ensuing weeks Canadian soldiers by their tens of thousands, straining for action after four and one-half years of enforced waiting, streamed across the Channel. By July 26th, every unit of the Canadian Army overseas was in action.

From the very beginning Canadian troops joined in some of the toughest, least spectacular, yet most vital assignments of the campaign. Such an assignment occurred at Caen, where Canadians, posted with the British on the allied left flank, successfully tied up, at heavy cost to themselves, the bulk of the German armour. This action permitted the United States forces on the right flank to break through the less strongly held German lines west of St. Lo, on July 25th, in the spectacular cross-country dash which swept the enemy out of Normandy and spearheaded the swift advance that brought the allies into Paris thirty days later.

Of the critical task of holding the German troops in the Caen area—the hinge of the Nazi defence system south of the Seine—General Eisenhower admitted that the British and Canadians had faced the most formidable of the enemy's defences. Every foot won at Caen, he said, was as important as ten miles won elsewhere.

During the August drive from Caen to Falaise, the First Canadian Army—officially announced on August 7th, as the first completely separate army ever to represent Canada in the field—experienced its first battle action as a unit, when it smashed German control of the area, joined forces with the United States units driving north from Le Mans, and helped make possible the trapping and resounding defeat of the Nazi Seventh Army. In this action the three divisions of the Second Canadian Corps, made up of the Second Infantry Division, famed for its Dieppe raid of August, 1942, the Third Infantry Division and the Fourth Armoured Division fought together for the first time.

By late autumn, the First Canadian Army had battered its way across northern France, through Belgium and into the Netherlands. It had overrun the so-called "rocket coast" and put more than three hundred flying-bomb sites out of action in France alone. It had captured the vital Channel ports of Le Havre, Ostend, Dieppe, Boulogne and Calais. With the capture of the Channel ports the First Canadian Army completed another of its important assignments, that of assuring the over-water supply life-line, crucial to the success of the allied winter campaign against Germany proper.

In Italy, meanwhile, the battle scarred First Canadian Corps continued to fight as part of the famed British Eighth Army which it had joined during the invasion of Sicily sixteen months before. On May 21st, Canadian troops were in the headlines when they helped spearhead the final all-out assault which smashed a gap in the formidable Adolph Hitler Line, forced the Melfa River and two weeks

later, on June 4th, joined the U.S. troops of the Fifth Army in the capture of Rome. The fall of Arezzo to Canadian troops on July 16th, followed by the occupation of Florence a month later, brought the allied armies two-thirds of the way to their goal.

During the latter part of August and beginning of September the Canadians in the Adriatic sector helped launch the great attack that smashed the Germans' famed Gothic Line, and plunged on to play a leading part in the capture of Rimini, the eastern hinge of the German defence system, where some of the bloddiest, bitterest, house-to-house fighting of the entire Italian campaign took place. By the end of October the Canadians had forced their way across the historic Rubicon River, and early in November were stubbornly fighting their way mile by mile toward the Lombardy Plain. In seventeen months of almost continuous fighting they had pushed the enemy back nearly seven hundred miles.

1945

This year saw V-E Day. Leading up to this momentous conclusion of so many years of struggle in Europe, the Canadians opened the Siegfried Line offensive on February 8th. The 12th of the same month saw them take Cleves and three days later they reached the Rhine river. On March 23rd the Canadian Third Division crossed the Rhine and on the 30th they captured Emmerich. During April, the Canadian forces drove north into Holland where on the 13th they sealed off the German escape route. On the 23rd came the news that the Canadians fighting in Italy had been secretly transferred to the Western Front. Shortly afterwards, on May 2nd, it was announced that 1,000,000 German troops in Italy, the Austrian Tyrol, and Salzburg had surrendered. Two days later General Eisenhower announced that all German forces in Holland, north-west Germany and nearby islands had surrendered to Field Marshal Montgomery. On May 7th, Germany surrendered unconditionally.

The British Commonwealth Air-Training Plan.

Under a four-party agreement between the Governments of Canada, Australia, New Zealand and the United Kingdom, the British Commonwealth Air Training Plan was born on December 16th, 1939. This training organization was established in Canada to train pilots, navigators, observers, bomb aimers, wireless operators, air gunners, and flight engineers at the rate of 20,864 airmen per annum, a figure later raised to 52,503 per annum. Thus the plan not only reached but far outdistanced its original objective. Air superiority over the enemy was assured early in the conflict and we may, therefore, say that the British Commonwealth Air Training Plan was one of Canada's most outstanding contributions to the success of allied air strength. The Plan came to an end in March, 1945, and by then had graduated 224,396 trainees, of whom 163,797 were Canadians. R.C.A.F. men not only participated in the Battle of Britain, but R.C.A.F. squadrons, as we know so well, participated in raids on Germany and German held Europe. Canadian airmen also gave service in the navy air-arm, the ferry command and the coastal

defence of Canada. Men of the R.C.A.F. saw service as well in North Africa, Russia, India and Burma.

The administering body of the BCATP was Canada's Department of National Defence for Air, assisted by a Supervisory Board at Ottawa comprising three Canadian Cabinet Ministers, and by representatives of the participating Governments, the Deputy Minister of National Defence for Air and the Chief of the Air Staff.

Canada's part in the BCATP, which was renewed in 1942 and continued until March 31st, 1945, involved an expenditure of $1,631,000,000 since its beginning in 1939. Of this amount $422,-500,000 remains recoverable from the United Kingdom. At the peak of the BCATP the number of training units totalled 154 and had twice the capacity originally intended.

From a peace-time force of 4,000 officers and men, the R.C.A.F. expanded to more than 200,000. Enlistments in the Women's Division alone totalled more than 16.500. There were more than forty R.C.A.F. squadrons in operation and approximately eight times as many members of the R.C.A.F. were serving in R.A.F. units. The largest purely R.C.A.F. formation operating in the European theatre was the Canadian Bomber Group, equipped with 4-engined Lancaster and Halifax aircraft.

"In the gigantic invasion operation begun June 6th, 1944, Canadian fighter plane units formed part of the aerial umbrella that protected the invading forces. Heavy bombers of the Coastal Command manned by Canadians were assigned the task of preventing enemy U-boats and E-boats from entering the invasion convoys outer ring. A tremendous air armada of Canadians battered enemy shore installations, communication centres and transport lines during the "softening up" action of the previous months. In the second week of invasion, closely following the invading forces, whole Canadian fighter squadrons of the tactical air force moved into France and with their new mobile airfields kept pace with the advancing allies. In other parts of the globe—in North Africa, Malta, Sicily, over the beachheads of Anzio and Cassino in Italy, in the heat of Burma, Ceylon, India, in the cold of Kiska, in the Aleutians—members of the R.C.A.F. have acquitted themselves honourably."

The Royal Canadian Navy.

Since the outbreak of war the Royal Canadian Navy has carried out unceasingly a three-fold task; guarding the coasts of Canada, escorting convoys, and taking aggressive action against the enemy wherever possible. The years 1944-45, however, saw the Navy reach a stage in its expansion which enabled it not only to carry out its major purpose of escorting North Atlantic convoys on a greater scale than ever before, but also to assume the offensive and join in direct attacks on the enemy.

Canada's share in history's greatest sea-borne invasion—that of the Normandy Coast—was more than 100 ships and nearly 10,000 officers and men. Canadian mine sweeping flotillas cleared mine fields

off the coast of Normandy; Canadian infantry landing ships, large infantry landing craft carried invasion troops to the beaches; Canadian corvettes and destroyers helped guard the invasion convoys from attack.

Even before the invasion, powerful Canadian destroyers of the Tribal and Fleet classes harassed enemy shipping in the English Channel and European coastal waters in daring pre-invasion sweeps. On D-Day Canadian destroyers were present to shell enemy shore installations. Courageous and persistent attacks were carried out before and after D-Day on German coastal shipping and war vessels by Canadian-manned motor torpedo boat flotillas.

During the summer months of 1944, the R.C.N. provided 100% of close escort for all North America-United Kingdom trade convoys and in addition provided warships which made up approximately 30% of all support force units in the North Atlantic. Canadian escort vessels escorted safely to the United Kingdom the largest convoy of the War, carrying more than 1,000,000 tons of cargo.

The Royal Canadian Navy had in commission at the time of the European victory over 800 ships, of which more than 350 were classed as fighting ships. Its man-power had risen to over 85,000 officers and ratings and there were 5,200 women in the Women's Royal Canadian Naval Service. On April 3rd, 1945, Navy Minister Macdonald gave the following report of Royal Canadian Navy successes since the start of the war:

1. Submarines destroyed, 22;
2. Submarines probably destroyed, 8;
3. Submarines probably damaged, 7;
4. Surface vessels sunk, 44;
5. Surface vessels severely damaged, 26;
6. Surface vessels captured, 1.

Canada's Contribution in Food, Military Supplies and Financial Aid.

"Close to $2,000,000,000 in war supplies have been provided to the United Nations under Canada's Mutual Aid Plan. This is in addition to all the Canadian goods paid for by other nations as well as $2,700,000,000 of financial aid extended to the United Kingdom to buy supplies."

—"Canada at War", February, 1945.

Mutual Aid was Canada's method of sending war supplies where they were most needed. Such supplies included not only war equipment but raw materials and foodstuffs.

Canada's Mutual Aid Act was based on a realization that the provision of materials to the common cause was no less vital and no less a duty than the provision of fighting men. Supplies were distributed to the United Nations on the basis of strategic need. Each nation needing Canadian war supplies paid for as much as it could. The remainder of the supplies required was delivered under Mutual Aid.

The Mutual Aid, Act was passed on May 20th, 1943, when Canada had been at war for more than 3½ years and had already extended financial aid in excess of $2,700,000,000 to the United Kingdom and its allies to purchase Canadian supplies.

Under Mutual Aid, Canada gave no money or credit to other countries. Aid was in terms of Canadian goods and services, but only those goods and services which Canada decided it could and should supply. The actual money voted to the Mutual Aid Board by Parliament each year went to Canadians for their services and their products.

The Act provided for the distribution of war supplies to the United Nations to the value of $1,000,000,000. Up to March 31st, 1944, total Mutual Aid expenditures were as follows:

United Kingdom	$723,753,786
Soviet Union	23,282,292
Australia	20,959,845
China	4,101,587
West Indies	874,478
India	482,192

The appropriation for Mutual Aid for the fiscal year ending March 31st, 1945, as voted on June 13th, 1944, was $800,000,000, which includes Canada's contribution to UNRRA, fixed at $77,000,000. Canada's first order from UNRRA for international relief supplies, amounting to $4,709,431, was for 20,050 short tons of agricultural machinery to be delivered in 1945. Placing of such orders is handled by UNRRA procurement division of the Mutual Aid Board.

The United States needed no help from Canada under Mutual Aid. Neither did Canada receive any assistance for itself under United States Lend-Lease.

In the first three years of the war the flow of Canadian war supplies to the United Nations was assured by providing the United Kingdom with the Canadian dollars necessary to pay for these supplies. Countries in the British Commonwealth and also the Soviet Union, through the United Kingdom, received substantial amounts of Canadian war supplies in this way.

Several methods of extending financial aid were used. The most important were:

(*a*) The buying back of British-held Canadian government securities, (e.g., those of the C.N.R.) amounting to about $800,000,000.

(*b*) Consolidation of the major part of accumulated sterling balances in London, amounting to $700,000,000, into a loan to the United Kingdom, interest free for the duration of the war.

(*c*) A contribution of $1,000,000,000 placed to the credit of the United Kingdom in Canada for the purchase of Canadian war supplies.

(*d*) Assumption of the ownership of United Kingdom interests in Canadian war plants amounting to about $200,000,000. During Canada's period of industrial expansion, the British government provided capital for the construction and equipment of many factories in Canada producing munitions for the British forces.

There are two important distinctions between Mutual Aid and the previous methods used by Canada in assisting allied nations to obtain Canadian supplies: (1) the previous arrangements were made with the United Kingdom only. Canada assisted the United Kingdom to obtain Canadian dollars to purchase British requirements in Canada, to purchase some supplies in Canada to be turned over to Russia and to other countries, and also Canadian dollars which the United Kingdom made available to Australia, India and others using the pound sterling. Under Mutual Aid, however, Canada offered assistance directly to the various nations needing assistance to obtain Canadian supplies. (2) all the earlier measures were financial, while Mutual Aid is in physical terms. Formerly Canada provided the United Kingdom—and indirectly other nations—with money to buy war supplies in Canada. Under Mutual Aid Canada provided the United Kingdom and the other nations with the actual war supplies which they needed. Canada contributed planes, tanks and ships, wheat, bacon and lumber, to its fighting allies—just as it provided the services of its navy, army and air force in the common cause. The financing of Mutual Aid was wholly a domestic affair.

Thus only about 30% of Canada's total productive output went to the Canadian forces; the remainder was sold or contributed to other United Nations. In this way the Mutual Aid programme helped to keep Canada's factories and farms producing at their maximum, helped to make use of Canada's natural resources, and helped to provide work for thousands of Canadians engaged in the production of vital war supplies.

To get an exact idea of just what Canada exported in wartime, either for cash or under Mutual Aid, let us take a look at Canada's pre-invasion exports (May, 1944). **Remember these figures are for one month only.** By way of contrast the statistics for the same month of 1943 are added.

	May, 1944	May, 1943
Trucks, Bren gun carriers, universal carriers and tanks	$54,200,000	$40,000,000
Guns, rifles and firearms	26,500,000	16,200,000
Cartridges and shells	33,700,000	22,100,000
Aircraft and parts	9,400,000	5,600,000
Canadian army, navy and air force stores	5,900,000	2,500,000
Vessels	2,300,000	Nil
Wheat	45,100,000	25,400,000
Flour	10,300,000	6,000,000
Oats	12,100,000	6,400,000
Bacon	21,900,000	9,300,000
Fresh beef	2,600,000	100,000

Dried eggs	$2,500,000	$1,600,000
Flax seed (which Canada formerly imported heavily)	7,300,000	Nil
Locomotives	2,500,000	Nil
Fibres and textiles, including parachutes and web equipment	4,100,000	3,000,000
Chemicals and explosives	8,600,000	6,800,000

The Principal Wartime Economic Controls.

Modern war requires the full and effective mobilization of the nation's economic resources to equip and supply the fighting forces and to maintain the civil population while as much as possible of the national effort is devoted to the prosecution of the War. For Canada this implied not only the provision of men and materials for the fighting forces but the furnishing of food, materials, munitions and equipment to Britain and other allies. The demands for man-power were therefore urgent for the making of munitions and war supplies as well as for the Services—the Navy, the Army and the Air Force.

1. Department of Munitions and Supply.

The Department was organized in September, 1939, to fulfil two main functions—the making of all defence purchases, and the mobilization of industrial and other resources to meet war needs. When the Department was launched, its work comprised chiefly the purchasing for the Armed Forces. It was not until June, 1940, that it was called upon to initiate an over-all wartime programme. Controllers were appointed to administer various industries and the supplies of various commodities. By the authority of the Munitions and Supply Act, Controllers could purchase, expropriate, manufacture and take virtually any steps required to further the war effort in the fields in which they operate. Each controller on his appointment automatically became a member of the Wartime Industries Control Board, which was set up to integrate the efforts of the individual Controllers.

From a small organization with only a handful of staff, the Department grew to a commercial and industrial giant employing 4,500 within itself and giving employment to 100,000 in Crown Companies under its control and indirectly to 900,000 others. It owned plants, or plant extensions, in every large Canadian city and in many small communities from the Atlantic to the Pacific. As the largest business organization in the history of Canada, it had made commitments up to the end of 1944, amounting to more than $10,255,000,000 on war production and construction. At peak production, reached in the last quarter of 1943, it was making or buying $65,000,000 worth of munitions per week. A year later this figure had dropped to $55,000,000, but a large part of the drop in the dollar figures was accounted for by increased efficiencies in manufacturing methods with correspondingly lower costs.

The Department was unique. No similar body existed in any

other country. Nowhere else was all the purchasing for the national and Allied Armed Forces carried out by one central organization. Nowhere else was there an absence of competition between the Army, Navy and Air Force for supplies and nowhere else did the body which supplied the three Services the power to mobilize industry and resources to attain maximum production.

2. Department of National War Services.

This Department was established by Act of Parliament in July, 1940, to assist in carrying out the provisions of the National Resources Mobilization Act, 1940, concerned with the mobilization of all the effective resources—both human and material—of the nation. The Department was also empowered to promote, organize and co-ordinate voluntary war services and material contributions made for the prosecution of the War. It comprised the following Divisions, most of which are self-explanatory:

(*a*) Canadian Government Travel Bureau.
(*b*) Directorate of Censorship.
(*c*) Committee on Co-operation in Canadian Citizenship.
(*d*) Corps of (Civilian) Canadian Fire-Fighters for Service in the United Kingdom.
(*e*) Government Office Economies Control.
(*f*) National Salvage Division.
(*g*) Prisoners of War Next-of-Kin Division.
(*h*) Voluntary and Auxiliary Services. This Division exercises budgetary and financial supervision in respect to the six national organizations which receive funds from the public treasury for war auxiliary services—Canadian Legion, Knights of Columbus, Salvation Army, Y.M.C.A., Y.W.C.A., Navy League of Canada for Hostels and Merchant Seamen Clubs. It also supervises appeals to the public of Canada for voluntary contributions for war services objectives.
(*i*) Women's Voluntary Services.
(*j*) Voluntary War Relief Division.

3. Wartime Information Board.

The Wartime Information Board was established on September 9th, 1942, for the purpose of ensuring "an informed and intelligent understanding of the purposes and progress of the Canadian war effort and its relation to the common effort of the United Nations." It was essentially a co-ordinating organization and did not attempt to centralize the information activities of the Federal Government within Canada. War Departments such as Army, Navy, Air Force and Munitions and Supply issued their own information directly to Canadian distributing agencies, though WIB had a responsibility for distributing war-time information outside Canada. The Board consisted of a Chairman and Vice-Chairman representing the public, and eight senior representatives of those Departments of Government chiefly concerned with war activities.

4. National Film Board.

Established by Act of Parliament, 1939, the National Film Board is composed of two cabinet ministers, three civil servants and three representative citizens. Its functions are directed by the Government Film Commissioner who is responsible for co-ordinating and advising upon all film activities of the Canadian Government.

5. Wartime Prices and Trade Board.

The Wartime Prices and Trade Board was established at the beginning of the war "to provide safe-guards under war conditions against any undue enhancement in the price of foods, fuel and other necessaries of life, and to ensure an adequate supply and equitable distribution of such commodities." During the first two years of the war, the Board was mainly concerned with organizing supply and preventing the occurrence of avoidable shortages. Direct price fixing was very rarely necessary.

As the war programme expanded, persistent shortages began to develop and, starting in April, 1941, the cost of living index rose sharply, largely as a result of increasing food prices. Against this background the Government decided upon a policy of over-all price and wage ceilings, which came into effect on December 1st, 1941.

In general, the Board had jurisdiction over the supply of those goods required chiefly for civilian use, while the Department of Munitions and Supply had control over the materials and supplies that were of major importance to the war programme. The Board works in close collaboration with other Government Departments, and the membership of the Board itself is comprised of senior officials of other Government Departments and agencies.

6. Department of Labour.

The most important developments in wartime labour policy related to labour supply. As labour shortages became increasingly widespread and acute, earlier measures were steadily supplemented and replaced by more comprehensive ones. In December, 1942, and January, 1943, the measures relating to man-power were, with a few insignificant exceptions, consolidated in two sets of regulations, the National Selective Service Mobilization Regulations under which men were called up for military service and the National Selective Service Civilian Regulations which deal with the allocation of civilian labour. These two sets of regulations administered under the Minister of Labour by the Director of National Selective Service, together embodied almost the entire man-power policy. During 1943 several amendments were made in the Civilian Regulations and two of these are especially significant. One of them permitted the Director to remove from less essential civilian industry men between the ages of 16 and 40 who could be more usefully employed in other industries. The other prevented any male worker from leaving an essential industry without permission. Thus the effect of these regulations was to distribute man-power both within industry and between industry and the Armed Forces.

Skilled workers for essential industry were trained under a War Emergency Training Programme. A comprehensive wages control policy was in effect and was supplemented by control of salaries. Persons discharged from the Armed Forces must be reinstated in their former jobs and other steps have been taken to assist them in re-establishing themselves in civil life.

The Report of the National War Labour Board, covering its inquiry into industrial relations and wage conditions, was made public in January, 1944, and included recommendations for a code of labour relations administered by a National Wartime Labour Relations Board, and for a simplification and amendment of the Wartime Wages Control Order.

In February, 1944, after the provinces had been consulted, an Order in Council was issued embodying the Wartime Labour Relations Regulations under which the Government extended its jurisdiction over employer-employee relations which are normally within the provincial field, to the extent considered necessary to cover adequately employers and employees in industries essential to the efficient prosecution of the war. Other industries were not included but could be brought within the scope of the Regulations by provincial legislation.

The Regulations were administered by a Wartime Labour Relations Board consisting of a chairman and not more than eight other members. Provision was made for an agreement between the Dominion and any province to set up suitable provincial administrative agencies to deal with local matters, but the National Board was responsible for the formulation of general policy and for ensuring the necessary uniformity in the application of the Regulations. Agreements have been made with all provinces, except Alberta and Prince Edward Island for the setting up of provincial agencies to administer the Regulations.

7. Agricultural Food Board.

The duties of the Board were in co-operation with the Agricultural Supplies Board, to develop and direct the policies of the Department of Agriculture for the war-time production of food; to co-ordinate the activities of all commodity boards established under the Department of Agriculture; to direct the diversion of food products produced in Canada; to fill export contracts; to meet the requirements of the Armed Forces in Canada; and to provide a medium for co-operation between the Department of Agriculture and the Wartime Prices and Trade Board in all matters pertaining to agricultural production, price adjustments and subsidies.

8. Agricultural Supplies Board.

This Board was a war-time control body operating under the Department of Agriculture. It was the responsibility of the Board, in consultation with the Provincial Departments of Agriculture, (1) to ensure that Canadian agriculture was carried on during wartime in a manner best suited to meet the needs of Canada and the

United Kingdom for food and fibres and (2) to ensure supplies of live stock feeds, fertilizers and pesticides, seeds and flax fibre.

9. Commodity Boards.

Working in close collaboration with the Agricultural Supplies Board and the Agricultural Food Board were three commodity boards, which procured and forwarded Canadian farm products contracted for under agreements with other Governments. These were the Meat Board, the Dairy Products Board, and the Special Products Board.

10. The Dominion Bureau of Statistics.

The great and many sided expansion of Canadian statistics in numerous fields during the past twenty years, and the work that the Dominion Bureau of Statistics has done to provide a statistical background for economic study, greatly facilitated the conversion from a peace economy to a war economy. Far more is known about production, internal trade, prices, the balance of international payments, etc., than during 1914-1918, and this knowledge was extensively used by the Government.

11. The National Research Council.

During the war years Canada spent five times as much on scientific research as in pre-war years or, roughly, $10,000,000 per annum.

Financing Canada's War Effort.

Fortunately, so far as financial organization was concerned, the Canadian financial structure was already well developed before the war to a point where it had proved its adaptability and suitability to the country's needs. The strain of war and Canada's accomplishment in meeting such a high proportion of the direct cost of the war, while at the same time providing Britain and other allied nations with very extensive assistance in obtaining war supplies in Canada, was further evidence of this.

The financing of the Canadian war effort was achieved in the following ways:

1. Taxation. Examples of the special taxes, levied for war purposes, are; increased income taxes, higher levies on alcoholic beverages, and tobaccos, excess profits tax, increased amusement taxes, special tax on the consumption of natural gas and electricity, increase in the postage rate, and the widened scope of the sales tax (e.g., jewelry, soft drinks, building materials, etc.).

2. Borrowing.

(*a*) Compulsory savings. This form of borrowing from the Canadian public was dropped on June 30th, 1944, because of its unpopularity.

2. (*b*) The sale of government bonds. Canada's record in bond purchases is as follows:

First War Loan, 1940	$ 200,000,000
Second War Loan, 1940	300,000,000
First Victory Loan, 1941	730,376,250
Second Victory Loan, 1942	843,127,900
Third Victory Loan, 1942	991,389,050
Fourth Victory Loan, 1943	1,308,716,650
Fifth Victory Loan, 1943	1,374,992,250
Sixth Victory Loan, 1944	1,405,013,350
Seventh Victory Loan, 1944	1,517,642,700

It is interesting to note that this borrowing, besides financing the war effort, also had the objective of checking inflation by reducing the amount of "loose cash" people could spend in competition for scarce articles.

Dominion Finances, 1868-1944.

Some idea of the rapidly increasing national debt may be gained from the following table:

Fiscal Year	*National Debt at the end of the year*	*National Debt Per Person*
1868	$ 75,757,135	$ 21.58
1871	77,706,518	21.06
1881	155,395,780	35.93
1891	237,809,031	49.21
1901	268,480,000	49.99
1911	340,042,052	47.18
1921	2,340,878,984	266.37
1931	2,261,611,937	217.97
1933	2,596,480,826	244.19
1936	3,006,100,517	274.53
1937	3,083,952,202	279.22
1938	3,101,667,570	278.13
1939	3,152,559,314	279.80
1940	3,271,259,647	287.43
1941	3,648,691.449	317.08
1942	4,045,221,161	347.11
1943	6,182,849,101	523.44
1944	8,740,084,893	659.57

It will be noted that the national debt has increased tremendously in the last decade or so. While this may give some cause for alarm, it should be noted that:

(1) most of the debt is held by the Canadian people themselves (e.g., the Victory Loans mentioned above).

(2) a large national debt is often a sign of a developing national economy and can indicate economic stability. A considerable proportion of the debt incurred during the war has been spent on capital equipment, e.g., airports and factories.

On the other hand, though, it must be realized that interest on debt is fixed while government revenue is not. If Canada has another depression, Dominion revenue will go down and interest charges will then become a real burden. In this connection, it may be recalled that at one time one-third of Alberta's provincial debt was interest charges. In 1940, 20% of the Dominion revenue had to be set aside for interest payments on the National Debt. Those who own victory bonds now may in time of depression be forced to sell their bonds to banks which will then receive the interest raised by taxation of the Canadian people. Such a situation actually took place after the last war and it is to be hoped that it does not happen again.

THE DEVELOPMENT OF THE BRITISH COMMONWEALTH

(Social Studies 3, Unit II, Section C; Unit IV, Section A)

Before World War I the Dominions were self governing in internal affairs. However, their sovereignty was restricted by:

(*a*) the power of the Imperial Parliament to legislate for a Dominion with or without its consent on foreign affairs.
(*b*) the right of the King (on the advice of the British government) to repeal dominion legislation.
(*c*) the inability of the dominion legislatures to legislate for anything outside their territory.
(*d*) the right (which still exists) of the Judicial Committee of the Imperial Privy Council to hear appeals from the Dominion courts.

Possibly the fact that the Dominions found themselves automatically at war when Great Britain declared war in World War I, initiated the desire for a revision of these restrictions. In 1917 an Imperial War Cabinet (council) was formed, consisting of certain British cabinet ministers and the prime ministers of the Dominions. At the Peace Conference each Dominion was given representation, and individual membership in the League of Nations was provided. In 1921, largely at the request of Canada, the Imperial Conference discussed the renewal of the Anglo Japanese (naval) alliance. By these steps the Dominions were:

(1) Gaining a voice in a collective or Commonwealth foreign policy.

(2) Gaining individual control of their external relations.

However, this new trend had two sides. In 1922 the Turks were driving the occupying Greek armies out of Turkey. They came to the British forces guarding the demilitarized zone of the Dardanelles at Chanak. For a time war between Great Britain and Turkey seemed inevitable. The British Government inquired of each Dominion whether armed support would be forthcoming. The incident passed without war, but a "Commonwealth control" of foreign policy was shown to have unexpected complications.

After this the increase in individual control of external affairs by each Dominion made progress. Some of the steps were:

1. In 1923 Canada negotiated and signed a fisheries treaty with U.S.A. This was the first treaty for a Dominion completed on the sole responsibility of the Dominion concerned.
2. In 1924 Eire (The Irish Free State) appointed a minister to Washington. After this Dominion representation in other countries spread rapidly.
3. In the Locarno Agreement (1925) a special clause, exempting any Dominion from obligation, was inserted.

These steps provided the groundwork for the Balfour Report of 1926, quoted in part at the beginning of this section on the Commonwealth.

In 1930 the Imperial Conference agreed that the King should appoint Governor Generals on the advice of the ministers of the Dominion concerned. In 1931 the Statute of Westminister was passed by the British Parliament. It provided:

1. The Dominions could legislate for matters beyond their territorial limits.
2. The Dominions could repeal statutes of the British Parliament applying to the Dominion concerned.
3. The British Parliament may not legislate for any Dominion except by its express request and consent.

Thus the present sovereignty was attained. Now each Dominion may be sovereign. Canada left the British North America Act (Canada's constitution) a British statute. Thus amendment of our constitution must be by the request of the Canadian government to the British Parliament. A similar situation exists for Australia. On the other hand in 1934, South Africa defined her status, by declaring that in all matters affecting South Africa the King acts on the advice of his South African minister, either personally or through the Governor General.

In World War I, the Dominions were at war when Great Britain declared war. During the Munich crisis, Prime Minister Chamberlain of Great Britain stated that the Dominions were informed of each step. When World War II began, each Dominion declared war on Germany and Italy. Interestingly enough, after Japan attacked Pearl Harbour, Canada declared war before either Great Britain or the United States. Thus, in the interim between 1914 and 1939, the "autonomous communities, equal in status" had developed.

It should be noted, though, that the first vital test of the strength of the new constitutional framework erected in 1931 came with the abdication of Edward VIII in 1936. The Crown in 1931 had been made the visible symbol which held the Empire together; therefore, any matter as vitally concerned with the monarchy as an abdication was the concern of the self governing Dominions. Accordingly, when Edward VIII requested formal examination of the possibility of legislation covering a morganatic marriage to solve the crisis caused

by his determination to marry Mrs. Simpson, Prime Minister Baldwin informed the Prime Ministers of the Dominions and gave an account of his interviews with the King. Baldwin made a request, which was informal and confidential, asking the Prime Ministers for their personal opinions and an estimate of the public reaction in their respective Dominions with regard to the King's suggestion of a morganatic marriage. Meanwhile the cabinet of the United Kingdom formally decided against such a marriage. In a few days Prime Minister King gave his reply, which was in the negative, to Mr. Baldwin's question. Shortly afterwards, on the latter's proposal that the cabinets of the Dominions advise Edward VIII directly, the Canadian cabinet formally asked the King to retain the throne, but informed him the proposed marriage would not in any form be acceptable. On December 10th, 1936, Edward VIII abdicated. As can be seen from the above account, **full consultation, in the spirit of the Statute of Westminster, was carried out.** Finally, to discharge fully the requirements of the Statute, the Canadian Parliament passed an act assenting to "His Majesty's Declaration of Abdication Act, 1936."

The coronation of George VI made further acknowledgment of the new status won by Canada and the other Dominions. The Coronation Oath was significantly re-worded to read in part: "Will you solemnly promise and swear to govern the people of Great Britain, Ireland, Canada, Australia, New Zealand and the Union of South Africa . . . ?" When George VI visited Canada in 1939 he assented in person **as King of Canada** to several Acts of Parliament.

THE ALBERTA POST-WAR RECONSTRUCTION COMMITTEE

Previous issues of the Social Studies Bulletin have reviewed the reports of the Sub-committees on Education, Social Welfare, Agriculture, Industry, and Natural Resources. Now in this issue of the Social Studies Bulletin, we conclude the survey of the work of the Alberta Post-War Reconstruction Committee by indicating the possibilities for use in the Social Studies of the remaining reports—those dealing with Public Works and Finance.

The Report of the Sub-Committee on Public Works:

The membership of the Sub-committee was as follows:

Mr. E. J. Martin, M.L.A., who acted as Chairman, is a war veteran and a pioneer with over twenty-five years' experience in local government affairs;

Hon. N. E. Tanner, the Minister of Lands and Mines;

G. H. N. Monkman, the Deputy Minister of Public Works;

S. C. Porter, of Calgary, is a civil engineer with many years' executive experience in the natural resources field;

J. Fitzallen, who has been a local government official for twenty-five years, is closely connected with the Association of Alberta Municipalities. He is news editor of that body's official organ and is the Secretary-Treasurer of the Town of Vegreville.

The various sections of the Report—railways, highways, public works by local authorities, town planning, light, water and sewage disposal, markets and local roads, aviation, summary and recommendations—will be found helpful in the following units of the high school Social Studies programme:

(*a*) Social Studies 1:	Unit V,	"Provincial and Community Problems".
	Unit VI,	Section (*g*),
	Unit VIII,	Section D (4),
	Unit XI,	Section (*e*);
(*b*) Social Studies 2:	Unit IX,	"Provincial and Community Problems";
(*c*) Social Studies 3:	Unit IV,	Section C, Division 3 (*c*).

The Report of the Sub-committee on Finance.

The membership of the Sub-committee was as follows:

Hon. A. J. Hooke, who acted as Chairman, is Provincial Secretary and Minister of Economic Affairs;

Alfred Speakman, M.L.A., who died before the publication of the Report, was a pioneer who homesteaded as a youth in 1896 and devoted a lifetime to the farmers' movement. For fourteen years he sat in Parliament where he was Chairman of the House of Commons Committee on Soldier Settlement. In addition, Mr. Speakman pioneered in the co-operative marketing movement and was largely responsible for existing federal marketing legislation.

L. D. Byrne, who was technical adviser to the Government of Alberta, is Deputy Minister of Economic Affairs.

H. E. Spencer, a former Member of Parliament, is noted as a keen student of finance and economics.

The Report is divided into six parts. The first three—finance and the economy, operation of the monetary system, Canadian monetary system—would be a useful reference for teachers of Economics and their students; the last three—the problem, national financial reconstruction, provincial action—will be found helpful for such divisions of Section C, Unit IV of the Social Studies 3 programme as "Proposed changes in monetary policy" and "Is full employment possible under the present financial system?"

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